



***New Coverage &
New Choices for
Medicare-eligible
Retirees***

Tri-Cities, WA
October 2010

What We Will Cover Today

- Welcome
- What is changing and why.
- How this affects you.
- Get to know Extend Health and the services and health plans available to you.
- A look at the Medicare marketplace.
- Going forward.....what to expect.
- Questions and answers.

How This Affects You

What's changing

- HEWT sponsored coverage will end December 31, 2010.
- You will select and enroll in plans available through Extend Health.
- **Individuals currently enrolled must elect 2011 coverage through Extend Health to continue to receive the HEWT plan subsidy.**

What you pay

- It may change – depending on what coverage you choose.
- If you enroll through Extend Health in 2011, HEWT will subsidize your coverage through an HRA.

How you enroll

- You will work with Extend Health to enroll in a plan that meets your medical and prescription needs. They will also help you set up your HRA.

Your support

- Extend Health advisors will help you understand the costs associated with your coverage – premiums, copayments, deductibles and all other costs.

What's Driving This Change?

- The change is necessary to:
 - Maintain retiree health care coverage viability.
 - Maintain or reduce long term liability.
 - Reduce or eliminate self-insured financial risk.
 - Reduce expense of administering the plan.
- New approach provides:
 - Plan choice for retirees.
 - Financial flexibility for retirees.
 - Plan education and selection expertise.



Introducing Extend Health

Who is Extend Health?

- Independent company, dedicated to serving Medicare eligible retirees.
- Partner with 65+ health plan carriers to provide you coverage to fit your individual needs.
- *Objective* and *Trusted* US based benefit advisors.
- Focused on helping each participant make an informed and confident decision.

Why Extend Health

- We are experienced in helping people just like you – having helped nearly 250,000 people in the last five years.
- Our services are provided at **no cost** to eligible Hanford Employee Welfare Trust retirees, spouses, surviving spouses, and dependents.



EASTMAN

Rayonier



Hanford Employee Welfare Trust



AVON
the company for women



CATERPILLAR®



Plans & Partners

All Medicare Plan Types

- Medicare Advantage
- Medigap
- Prescription Drug (Part D)

Vision

Dental

Sample of Insurance Company Partners



The Process

Educate

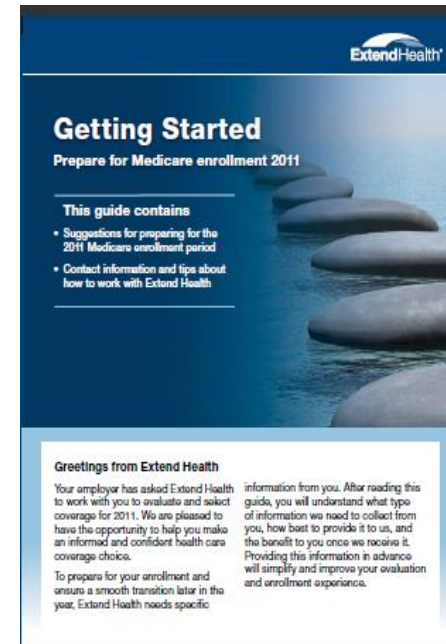
Evaluate/Enroll

Manage

Education

Getting Started Guide.

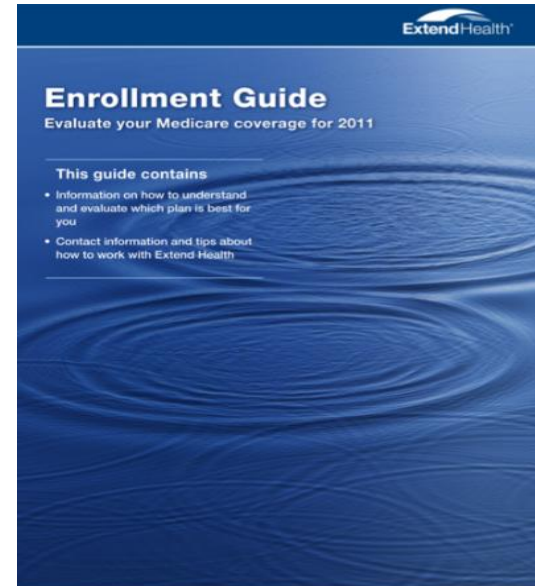
- Gather information (prescriptions, doctors).
- Preexisting conditions- except end stage renal disease, will not limit your plan selection
- Schedule an evaluation and enrollment appointment.
- Give us a call
- www.ExtendHealth.com/hewt



Education

Enrollment Guide

- Prepare you for enrollment discussion
- Review Medicare basics
- Appointment confirmation reminder



Evaluate and Enroll



Licensed Benefit Advisor

- Salt Lake City
- Your objective advocate
- Single point of contact
- Well trained

Hours of Operation
Monday – Friday
6 a.m. – 6 p.m. PT

Decision Support Tools

- Help Me Choose
- Prescription Profiler

Register | Login | Speak to an Expert

ExtendHealth SHOP & COMPARE HELP

▼ MEDICARE ► HEALTH INSURANCE

[Search all plans](#) | [Help me choose](#) | [Prescription Profiler™](#) | [Understanding Medicare](#)

Prescription Profiler™

This tool allows you to search Medicare plans using your list of prescriptions to find low-cost coverage options. *Required fields

1 About the applicant

Location* ZIP CODE COUNTY

84020 Select County

Birth date* MONTH DAY YEAR

Aug 10 1945

Gender ☒ Male ☐ Female

Tobacco use ☒ No ☐ Yes

Disabled ☒ No ☐ Yes

2 Eligibility information

When would you like coverage to begin?*

MONTH YEAR

Sep 2010

Do you have End Stage Renal disease?

☒ No ☐ Yes

3 Enter your prescriptions

Enter the name of the medication

Enter the name of the drug or the first three letters of the drug name.
(For example, enter "Lip" to locate the drug "Lipitor.")

Helpful tips

[How is this information used?](#)

[Why must I enter each person's information separately?](#)

[What is Medicare eligibility?](#)

Speak to an expert

To speak to a licensed benefit advisor call



1-866-322-2824
(TTY: 1-866-508-5123)
Mon.-Fri. 9 am to 9 pm Eastern

Enrollment Process

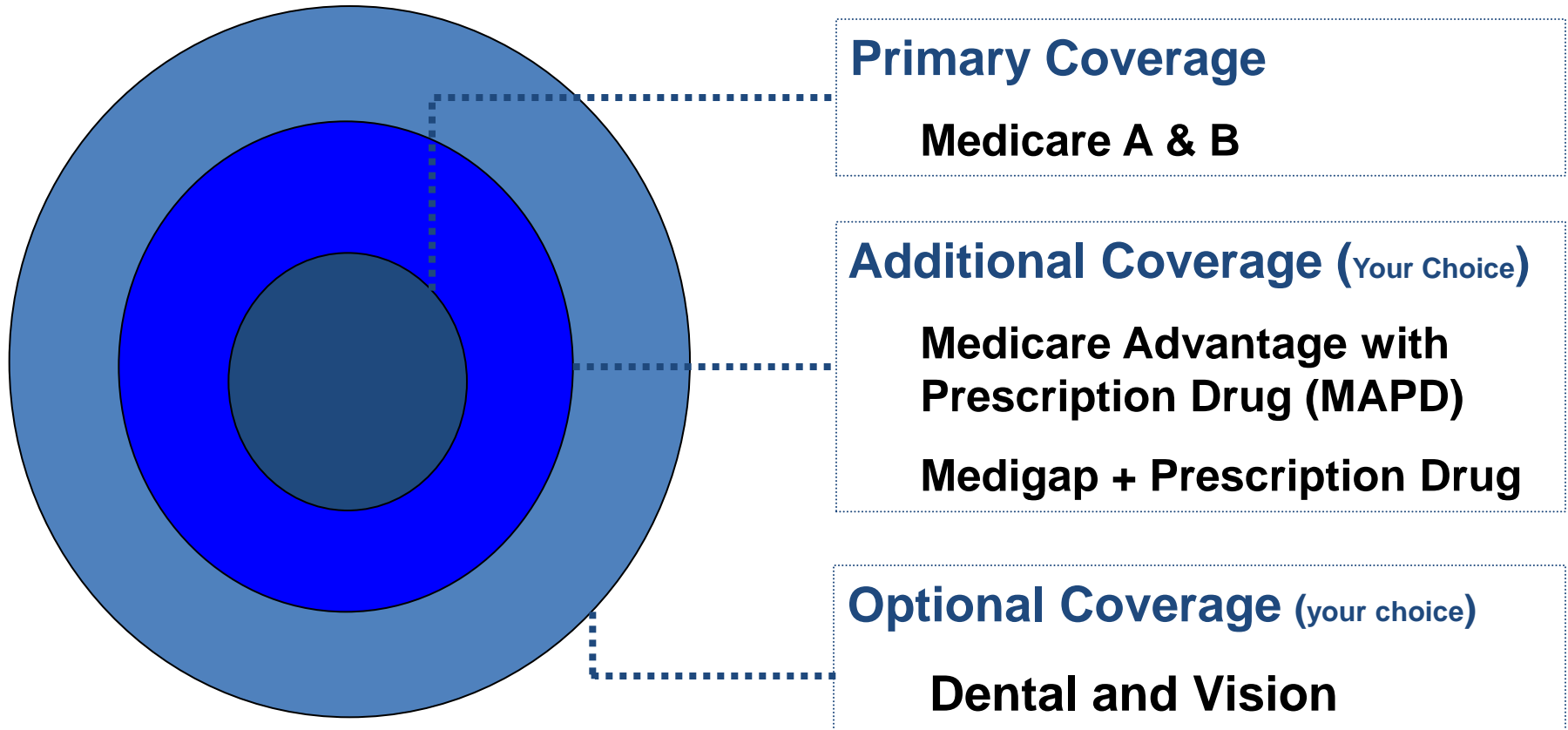


- Benefit Advisors can discuss coverage options with anyone – need to speak to the participant to complete the enrollment.
- Once you have made a coverage selection, enrollment is conducted via telephone.
- 100% of calls are recorded.

Medicare & You

| | | | | |
|--|--|--|-------------------|--|
| MEDICARE | |  | HEALTH INSURANCE | |
| 1-800-MEDICARE (1-800-633-4227) | | | | |
| NAME OF BENEFICIARY | | | | |
| JANE DOE | | | | |
| MEDICARE CLAIM NUMBER | | SEX | | |
| 000-00-0000 | | | | |
| IS ENTITLED TO | | EFFECTIVE DATE | | |
| HOSPITAL | | (PART A) | 07-01-1986 | |
| MEDICAL | | (PART B) | 07-01-1986 | |
| SIGN HERE  | | | | |

Your Future Coverage



Location Specific Plans

Plan Choices Available in Benton and Franklin, WA Counties

| Plan Type | Number of Plans Offered | 2011 Monthly Premium | Company |
|------------------------------------|-------------------------|----------------------|--|
| Medicare Advantage | 4 | \$ 37 - \$ 207 | Arcadian Columbia Community Care, Asuris Northwest Health (Regence) |
| Medigap/ Medicare Supplement | 16 | \$ 65- \$ 185 | Humana, SecureHorizons, AARP, Mutual of Omaha, Asuris Northwest Health (Regence) |
| Part D | 14 | \$ 15 - \$ 118 | AARP, Coventry, Humana, Medco, Asuris Northwest Health, Aetna |

Plan Choices Available in Benton and Franklin, WA Counties

| Plan Type | Number of Plans Offered | 2011 Monthly Premium | Company |
|-----------|-------------------------|--|---------------------------|
| Vision | 1 | \$ 14 per person per month Annual Eye Exam: \$15 Coverage for eye glasses, lenses and frames too | Vision Service Plan (VSP) |
| Dental | 1 | \$45 \$0 deductible \$1600 annual max | Renaissance Dental |

What are some of the coverage options and how much they cost?

Columbia Community Care (HMO) Medicare Advantage

- \$37 per month
- Network: HMO
- Deductible: None
- Doctors: \$ 5 co-pay; Specialist: \$39
- Hospital: \$ 225 co-pay Days 1 – 7, then \$0 copay
- Emergency Room: \$ 50 co-pay if not admitted
- 5 tier Rx: \$7.50 pref gen /\$15 nonpref gen/\$45 pref brand/\$89 non-pref brand/33% specialty
- Mail order: \$15/\$30/\$112/\$222/33%
- Coverage Gap: Some generic and preferred brand

What are some of the coverage options and how much they cost?

AARP Plan F and Humana Enhanced PDP

- Medical - \$156 & PDP - \$43
- Network: Any doctor who accepts Medicare
- Deductible: No
- Doctors co-pay: \$0; Specialist co-pay \$0
- Hospital: \$0 co-pay
- ER co-pay: \$0
- Rx: \$7 /\$45 /\$70 /33%
- Mail Order: \$0/\$110/\$200/33%
- Coverage Gap: Some generics

Sample Retiree Out of Pocket Analysis

| Cost Component | Details | AARP Plan F + Humana PDP | Current HEWT PPO and Rx |
|-----------------|--|--------------------------|-------------------------|
| Premium | Annual Retiree Premium | \$2,237 | \$1,134 |
| Medical OOP | Medical based on utilization and plan details | \$0 | \$249 |
| Part D OOP | Includes <u>Donut hole for Extend plan</u> for 40 Rx fills and co-pays | \$829 | \$596 |
| HRA Subsidy | Company HRA contribution | (\$1,800) | - |
| Total | Retiree Out of Pocket Costs | \$1,265 | \$1,979 |
| Retiree Savings | | \$714 | |

Medicare Prescription Drug Coverage

Initial Coverage

You pay

- *Deductible and Co Pays for your plan
- *Coverage for the first \$ 2840 in Actual Cost of Medications

Coverage Gap – Donut Hole

You pay

- *50% of Brand Drugs and 93% of Generics
- Until out of pocket costs reach \$4550

Catastrophic Coverage

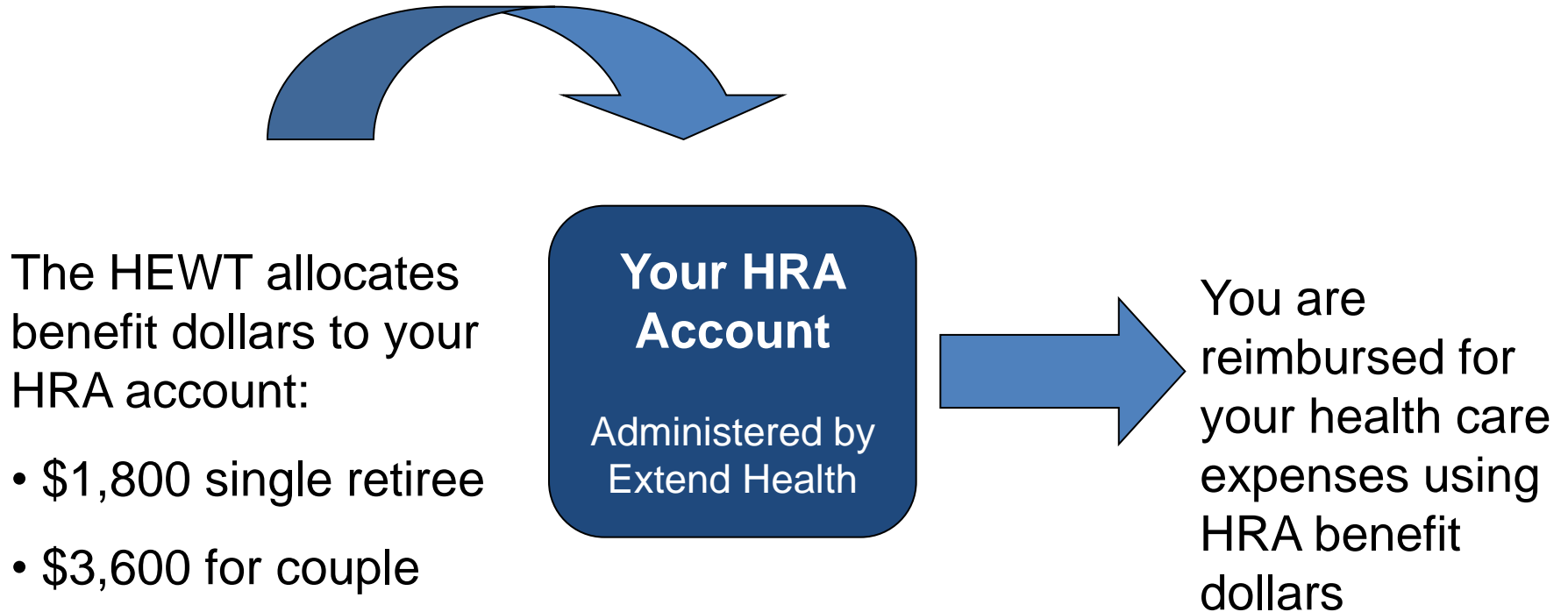
You pay

- *\$2.50 for generics and \$6.30 for Brand
- Or 5% which ever is greater

What is an HRA?

- Tax-advantaged account used to reimburse you for eligible healthcare expenses
 - Premiums (including Medicare Part B)
 - Out-of-pocket expenses (e.g., deductibles, medical co-pays)
- You receive money from HEWT to pay for your expenses through the HRA
- Account is shared with your spouse
- Reimbursements are tax free
- Your funds will be automatically available January 1, 2011, if you enroll in an individual Medicare plan through Extend Health

How an HRA Works



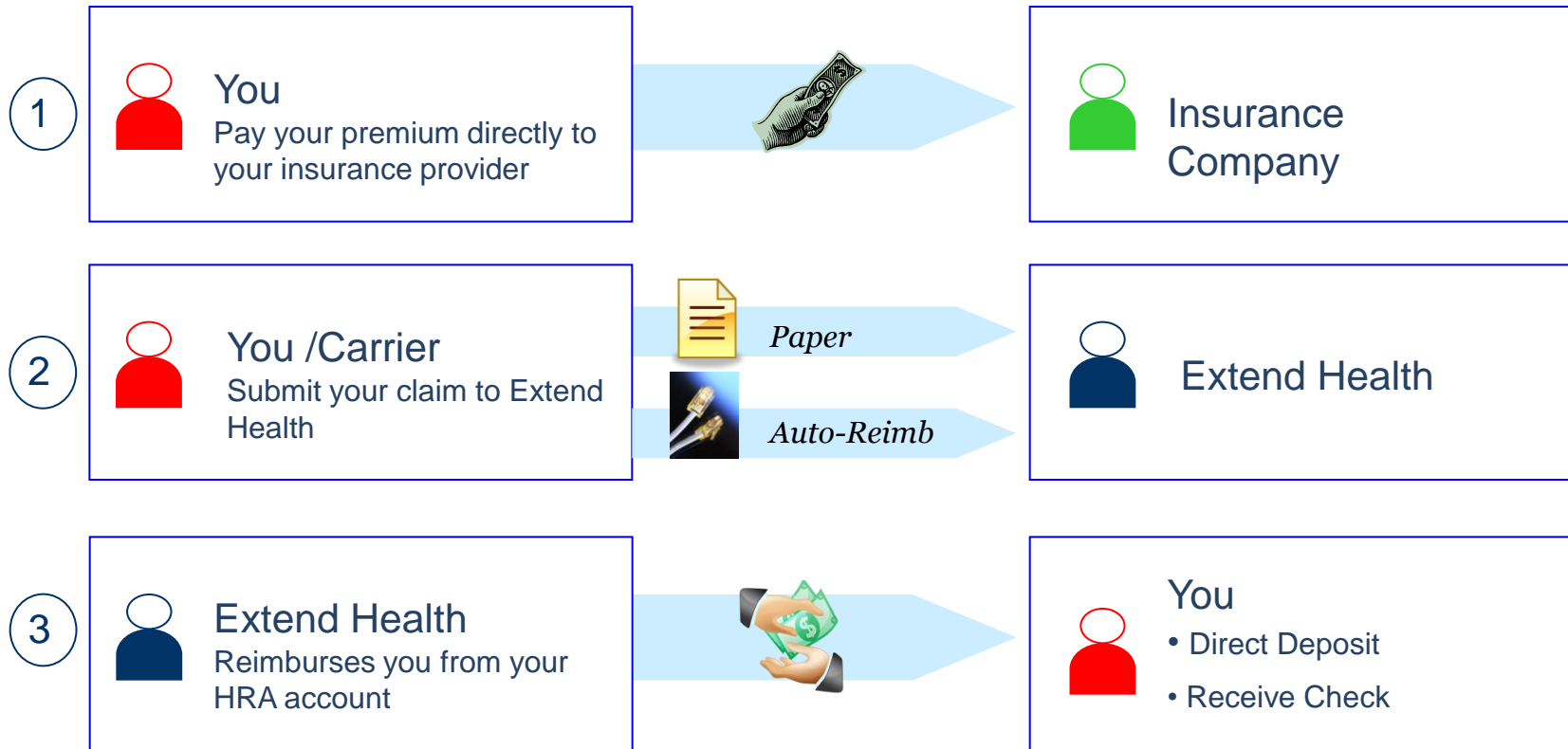
You work with Extend Health to enroll in individual coverage

Auto Reimbursement (AR)

- Available on many of the plans you may select.
- Eliminates the need for you to file for monthly premiums.
- Ask your Benefit Advisor to activate during your enrollment call.

Health Reimbursement Account- Reimbursement

The following process will allow you to access your HRA funds.



Post Enrollment Customer Service

- Advocacy and support services.
 - Toll Free number to contact Extend Health representative.
 - Direct support for claims issues, appeals and network questions.
- Renewal process – ability to pick new coverage for future years – not locked into this year's coverage choice.
- Ongoing enrollment services as retiree or spouse turns age 65.

Next Steps

Review Getting Started Guide



Gather Medicare card,
prescriptions, & doctor information



Call Extend Health (888) 864-0764

Questions And Answers